DATE 1/30/09



Missoula Police Department

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From the Desk of Mark Muir

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House State Administration Committee 2009 Montana State Legislative Session

Chairman Himmelberger and Committee Members,

I write briefly requesting you give HB 266 a DO PASS recommendation to fellow members of the House. As Chief of Police for Missoula, I can wholly understand the concerns you may have about any bill this session with a fiscal note attached. My understanding is that you will be given updated actuarial information that supports this change in contributions. As one of the officers who lobbied for the original DROP provision in our retirement plan, I know that other states have successfully funded the plan in the manner we propose now.

The DROP provision can be somewhat confusing, but I want to point to the huge value it brings to State and Local Government when it encourages officers to remain employed in the field of municipal law enforcement for additional years rather than taking retirement at 20 years and seeking employment in another field or with a different employer outside the retirement system. That once was the case for the Missoula Police Department and I can gratefully say that having the optional DROP provision in our retirement plan has enabled my Department to retain a number of officers for three to six years beyond when they otherwise might have retired.

This is exactly what we expected DROP would do when we first introduced it, but some concessions had to be made to gain support from the retirement division. We all now realize that once an individual begins their DROP distribution, their service credits end

and yet they must continue to pay into the retirement system without further benefit. Were these officers to go to other employers and start into a new retirement program they would accrue service credits *and* collect their retirement benefit as well.

Please help us correct this deficiency in the system and recognize that the status quo creates an inequity. While DROP participation is optional and presents a beneficial opportunity to police officers, there are many valuable officers out there who we will still lose to other employers and careers. This is due to the fact that they must choose between staying with an employer and losing 9.5% of their gross wage or taking an equal position elsewhere and collecting on the service credit retirement they already paid into. We've seen this happen right here in Montana, from line officers right on up to Chiefs, who after reaching the threshold for retirement seek out-of state law enforcement employment. Let's do what we can to give police administrators some tools to retain their officers even just a few years more to gain from the experience they bring to the job. Attrition of police personnel is very costly to Montana communities and this is a terrific was to improve return on investment.

Thank you for your consideration and supporting a DO PASS.

Sincerely,

Mark Muir, Chief of Police

Mark Muir